

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Petition of Mpower Communications Corp. for)	
Establishment of New Flexible Contract)	CC Docket No. 01-117
Mechanism Not Subject to "Pick and Choose")	

REPLY COMMENTS OF VERIZON¹

In its opposition to Mpower's petition to establish FLEX contracts as a less regulated alternative to interconnection agreements, Z-Tel Communications, Inc. ("Z-Tel") strays far afield from Mpower's petition and proposes *increased* regulation of interconnection agreements. In particular, Z-Tel wants the Commission to mandate inclusion of detailed alternative dispute resolution ("ADR") procedures in new interconnection agreements. Z-Tel at 15-19.

Z-Tel's ADR proposal should not be considered here. It is entirely collateral to Mpower's petition, which is to establish a separate contractual interconnection process, free of most regulatory constraints – in particular pick and choose – which Mpower states will help facilitate more customized agreements than the current process.

If the Commission addresses the substance of Z-Tel's proposal, regardless of the way Commission rules on Mpower's petition, it should certainly not add even more regulation to the interconnection agreement process. The reason Mpower filed its petition in the first place was its stated belief that the existing regulatory requirements are stifling the normal give-and-take of negotiation. A requirement that post-signing disputes must be referred to binding arbitration,

¹ The Verizon telephone companies ("Verizon") are the local exchange carriers affiliated with Verizon Communications Inc. identified in the attached list.

with the right to discovery and trial-type testimony, could constrain the negotiation process even more, because the parties would realize that any subsequent unresolved dispute would be forced into lengthy and expensive arbitration. As a result, rather than facilitating negotiations, Z-Tel's proposal could bog them down.

Moreover, Z-Tel's proposal is beyond the Commission's authority. Section 252 of the Act specifies that provisions of interconnection agreements are to be negotiated between the parties. *See* 47 U.S.C. § 252(a). If the parties are unable to agree on any or all provisions of such agreements, the state commission is required to arbitrate outstanding issues. 47 U.S.C. § 252(b). Nothing in the Act permits the Commission to prescribe that agreements contain any particular provisions, and Z-Tel does not even attempt to show how its proposal is consistent with the Act, because it is not.

The Commission should not consider Z-Tel's ADR proposal. If it reviews the merits, however, the Commission should deny the request.

Respectfully submitted,

/S/

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THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies are the local exchange carriers affiliated with Verizon Communications Inc. These are:

Contel of the South, Inc. d/b/a Verizon Mid-States
GTE Midwest Incorporated d/b/a Verizon Midwest
GTE Southwest Incorporated d/b/a Verizon Southwest
The Micronesian Telecommunications Corporation
Verizon California Inc.
Verizon Delaware Inc.
Verizon Florida Inc.
Verizon Hawaii Inc.
Verizon Maryland Inc.
Verizon New England Inc.
Verizon New Jersey Inc.
Verizon New York Inc.
Verizon North Inc.
Verizon Northwest Inc.
Verizon Pennsylvania Inc.
Verizon South Inc.
Verizon Virginia Inc.
Verizon Washington, DC Inc.
Verizon West Coast Inc.
Verizon West Virginia Inc.